



IRISH LIFE INVESTMENT MANAGERS (ILIM)

The week that was – WEEK 38 (ending 18/09/2015)

“Don’t be so quick to claim your limitations, when you’ve never truly tested them.” - Kevin Ngo

Irish Fiscal Advisory Council gives backing to Budget plan – The Irish Fiscal Advisory Council (IFAC) said in a statement issued this week on Budget 2016 that the proposed tax and spending package as announced in the Spring Economic Statement "is within the range of prudent policies from an economic perspective."

Dublin office rents up 24% in the past year – According to HWBC's latest Office Market Review, rent levels for office space in the prime Dublin office market have risen by 24% in the 12 months to June to €50 per square foot due to an "acute shortage" of Grade A office space, with no new offices built in the past five years.

Fed postpones U.S. rate rise – Following the conclusion of a closely watched meeting, the U.S. Federal Reserve kept interest rates at record lows, citing a weak global economy, low inflation and instability in financial markets. Fed Chair Janet Yellen said "the situation abroad bears close watching."

ECB Vice President says they could bolster QE – Vice President Vitor Constancio said Quantitative easing by the European Central Bank has room to widen - "The total amount that we have purchased represents 5.3% of the GDP of the euro area .. what the [Federal Reserve] has done represents almost 25% of US GDP."

BOE Chief hints at U.K. rate rise early in 2016 – Bank of England Governor Mark Carney said that interest rates may rise in early 2016 if wage pressure and core inflation continue to build. Unemployment unexpectedly dropped marginally to 5.5% and three-month average earnings figures were up 2.9% on the year.

China finds thousands of accounts used in illegal trading – The China Securities Regulatory Commission has found more than 3,000 accounts involved in illegal stock trading as part of its crackdown. Violations include use of platforms that circumvent margin-trading limits and failure to register accounts in users' names.

The Story of the week: UBS, the Swiss bank, this week released the 16th edition of the triennial UBS Prices and Earnings study (microsite), which examines prices, wages and earners' purchasing power in 71 cities worldwide. Zurich workers in the city can buy an iPhone 6 after 21 hours of work whereas it takes 30 times longer in Kiev, capital of Ukraine. Bus drivers in Luxembourg earn more than \$85,000 per year, compared to \$37,000 for London drivers.

DISCLOSURE:-

Irish Life Investment Managers Limited is regulated by the Central Bank of Ireland. While Irish Life Investment Managers uses reasonable efforts to ensure that the information contained in this document is current, accurate and complete at the date of publication, no representations or warranties are made (express or implied) as to the reliability, accuracy or completeness of such information. Irish Life Investment Managers therefore cannot be held liable for any loss arising directly or indirectly from the use of, or any action taken in reliance on, any information contained in this document. This material is for information only and does not constitute an offer or recommendation to buy or sell any investment, or subscribe to any investment management or advisory service. The performance shown represents past performance and does not guarantee future results. Past performance is not indicative of future results.



Index Performances and Market Data*

Equity Markets % (in Local Currency)	2010	2011	2012	2013	2014	2015 YTD (to 17/09)
ISEQ Overall Return	-0.1	2.6	20.5	35.8	16.8	27.5
FTSE 100 TR	12.6	-2.2	10.0	18.7	0.7	-2.9
Euro Stoxx 50 TR	-2.8	-14.1	18.1	21.5	4.0	5.6
S&P 500 TR	15.1	2.1	16.0	32.4	13.7	-1.9
Nasdaq Composite	16.9	-1.8	15.9	38.3	13.4	3.3
Nikkei 225	-3.0	-17.3	22.9	56.7	7.1	5.6
MSCI Emerging Markets	11.7	-14.9	13.9	0.9	2.6	-6.0
MSCI World	7.8	-7.6	13.1	26.2	7.7	-1.6
Sovereign 10yr Bond Yields (%)	2010	2011	2012	2013	2014	2015 YTD
US	3.3	1.9	1.7	3.0	2.2	2.1
German	3.0	1.8	1.4	1.9	0.5	0.7
UK	3.4	2.0	1.9	3.0	1.9	1.8
Japan	1.1	1.0	0.7	0.7	0.3	0.3
Ireland	9.1	8.4	4.5	3.4	1.3	1.4
Italy	4.8	7.1	4.6	4.1	2.1	1.8
Greece	12.5	31.7	12.7	8.2	9.6	7.9
Portugal	6.6	13.4	6.9	6.1	2.7	2.5
Spain	5.5	5.1	5.4	4.1	1.6	1.9
Central Bank Rates (%)	2010	2011	2012	2013	2014	2015 YTD
ECB	1	1	0.75	0.25	0.05	0.05
Bank of England	0.5	0.5	0.5	0.25	0.50	0.50
US Federal Reserve	0.25	0.25	0.25	0.25	0.25	0.25
Foreign Exchange Rates	2010	2011	2012	2013	2014	2015 YTD
Euro/Dollar (€/\$)	1.34	1.30	1.31	1.37	1.21	1.14
Euro/Sterling (€/£)	0.86	0.83	0.81	0.83	0.78	0.73
Sterling/Dollar (£/\$)	1.56	1.55	1.61	1.65	1.56	1.56
IPD All Property Return (%)	2010	2011	2012	2013	2014	2015 YTD
Ireland	-2.4	-2.4	3.1	12.7	40.1	4.3 (Q 1)
UK	14.5	8.1	2.7	10.7	17.8	2.9 (Q 1)
US	14.8	14.5	5.3	11.4	11.2	3.1 (Q 1)

*Past performance is not a reliable guide to future performance